

HOUSE BILL 1033

M3

2lr2603

By: **Delegates Mizeur, Bobo, Frush, and Luedtke**

Introduced and read first time: February 10, 2012

Assigned to: Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Environment – Gas and Oil Leasing Agent – Notice to Landowner**

3 FOR the purpose of requiring a certain leasing agent to provide certain written notice
4 to a landowner before presenting the landowner with a certain gas and oil lease;
5 authorizing the Department of the Environment to adopt certain regulations;
6 establishing certain grounds for the denial of a certain gas and oil permit;
7 defining a certain term; and generally relating to notice of the rights of a
8 landowner associated with gas and oil leases.

9 BY adding to

10 Article – Environment

11 Section 14–113.1

12 Annotated Code of Maryland

13 (2007 Replacement Volume and 2011 Supplement)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
15 MARYLAND, That the Laws of Maryland read as follows:

16 **Article – Environment**

17 **14–113.1.**

18 **(A) (1) IN THIS SECTION, “LEASING AGENT” MEANS A PERSON THAT**
19 **CONTACTS A LANDOWNER FOR THE PURPOSE OF LEASING MINERAL RIGHTS FOR**
20 **THE EXPLORATION, PRODUCTION, OR UNDERGROUND STORAGE OF GAS OR OIL**
21 **IN THE STATE.**

22 **(2) “LEASING AGENT” INCLUDES A LANDMAN.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(B) BEFORE PRESENTING A LANDOWNER WITH A LEASE FOR THE RIGHT**
2 **TO DRILL A WELL FOR THE EXPLORATION, PRODUCTION, OR UNDERGROUND**
3 **STORAGE OF GAS OR OIL IN THE STATE, A LEASING AGENT SHALL PROVIDE THE**
4 **LANDOWNER WRITTEN NOTICE DESCRIBING THE RIGHTS OF THE LANDOWNER,**
5 **INCLUDING THE RIGHT TO:**

6 **(1) CONTACT AN ATTORNEY; AND**

7 **(2) NEGOTIATE THE TERMS OF THE LEASE.**

8 **(C) THE DEPARTMENT MAY ADOPT BY REGULATION ADDITIONAL**
9 **REQUIREMENTS FOR THE NOTICE REQUIRED BY THIS SECTION.**

10 **(D) FAILURE TO PROVIDE THE NOTICE REQUIRED BY THIS SECTION MAY**
11 **BE GROUNDS FOR THE DENIAL OF A PERMIT FOR THE DRILLING OF A WELL FOR**
12 **THE EXPLORATION, PRODUCTION, OR UNDERGROUND STORAGE OF GAS OR OIL**
13 **IN THE STATE ISSUED UNDER THIS SUBTITLE.**

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
15 October 1, 2012.